

Regular Session, 2012

SENATE BILL NO. 48

BY SENATOR GUILLORY

RETIREMENT SYSTEMS. Provides relative to membership on the boards of state retirement systems. (6/30/12)

AN ACT

To amend and reenact R.S. 11:511, 822(A) and (B), 1162(A), and 1164, relative to state retirement systems; to provide relative to the membership of the boards of trustees of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, and the Louisiana School Employees' Retirement System; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:511, 822(A) and (B), 1162(A), and 1164 are hereby amended and reenacted to read as follows:

§511. Composition of board of trustees

The board of trustees shall consist of ~~twelve~~ **the following** members, as follows:

(1) The chairman of the Retirement Committee of the House of Representatives, ex officio, **or his designee**.

(2) The chairman of the Retirement Committee of the Senate, ex officio, **or his designee**.

1                   (3) The treasurer of the state of Louisiana, ex officio, or his designee.  
2                   Notwithstanding the provisions of R.S. 49:307.1, the treasurer may name any  
3                   person as his designee to this board.

4                   (4) The commissioner of administration, ex officio, or his designee.

5                   (5) Six trustees who shall be active employees and members of the system  
6                   with at least ten years of creditable service and who shall be elected by the members  
7                   of the system for a term of four years to succeed members whose terms expire under  
8                   rules and regulations adopted by the board to govern the elections. However, those  
9                   trustees whose terms begin on or after January 1, 1998, shall be eligible to serve only  
10                  three consecutive four-year terms, to include any term served as an active or retired  
11                  member. Upon the completion of the third consecutive four-year term, the trustee  
12                  shall be ineligible for a fourth consecutive term of office. An active member who  
13                  retires while serving on the board shall be allowed to remain on the board for the  
14                  remainder of the term for which elected. The director, assistant directors, chief  
15                  investment officer, and other employees of the staff of the system shall be ineligible  
16                  for membership on the board, and no member of the board elected under this Section  
17                  shall be eligible for one of these positions for a period of two years after the  
18                  termination of their service on the board. No department in the executive branch of  
19                  state government, as more particularly described in Title 36 of the Louisiana Revised  
20                  Statutes of 1950, as amended and revised, may have more than two trustees serving  
21                  on the board at the same time. The candidate or candidates who have received the  
22                  highest and next highest vote tallies, and who do not violate the prohibition against  
23                  more than two trustees serving from the same department, shall be declared the  
24                  elected trustee or trustees.

25                  ~~(5)~~ (6) Three trustees who are retired members of the system and who shall  
26                  represent the retired members of the system. The retired trustees shall be elected by  
27                  the retired members of the system for a term of four years. However, those trustees  
28                  whose terms begin on or after January 1, 1998, shall be eligible to serve only three  
29                  consecutive four-year terms, to include any term served as an active or retired

1 member. Upon the completion of the third consecutive four-year term, the trustee  
2 shall be ineligible for a fourth consecutive term of office. The election shall be held  
3 in accordance with the rules adopted by the board to govern the elections of trustees.  
4 Vacancies shall be filled in accordance with R.S. 11:512.

5 \* \* \*

6 §822. Members of board of trustees; appointment or election; terms of office;  
7 vacancies; compensation

8 A. The board shall consist of such trustees as follows:

9 (1) The state superintendent of public education, ~~or his first assistant,~~  
10 ~~appointed pursuant to Article IV, Section 13 of the Louisiana Constitution of 1974,~~  
11 ~~ex officio,~~ **or his designee.**

12 (2) One voting member representing the members paid by school food  
13 service funds shall be elected by a majority of ~~said~~ **the** members for a four-year term.

14 (3) The state treasurer, ex officio, **or his designee.** **Notwithstanding the**  
15 **provisions of R.S. 49:307.1, the treasurer may name any person as his designee**  
16 **to this board.**

17 (4) **The commissioner of administration, ex officio, or his designee.**

18 ~~(5)~~ **(6)** The chairman of the Retirement Committee of the House of  
19 Representatives of the Louisiana Legislature, ex officio, or his designee.

20 ~~(5)~~ **(6)** The chairman of the Retirement Committee of the Senate of the  
21 Louisiana Legislature, ex officio, or his designee.

22 ~~(6)~~ **(7)** One voting member representing the state colleges and universities  
23 at large shall be elected by a majority of the members of the Teachers' Retirement  
24 System of Louisiana employed by the colleges and universities of the state for a  
25 four-year term.

26 ~~(7)~~ **(8)** One voting member from and to represent each of seven districts, to  
27 be elected by a majority of the members employed in the respective districts to a  
28 four-year term, except those members who are employed by the state colleges and  
29 universities and who elect a representative under Paragraph ~~(6)~~ **(7)** of this Subsection

1 and those members paid by school food service funds and who elect a representative  
2 under Paragraph (2) of this Subsection and who shall not be a parish or city  
3 superintendent of schools. The seven districts shall be composed of parishes as  
4 follows:

5 (a) District 1: Ascension, St. James, St. John the Baptist, St. Charles,  
6 Jefferson, Plaquemines, St. Bernard.

7 (b) District 2: Washington, St. Tammany, Orleans.

8 (c) District 3: East Baton Rouge, Iberville, Assumption, Lafourche,  
9 Terrebonne.

10 (d) District 4: Caddo, Bossier, Webster, Claiborne, ~~De Soto~~ **DeSoto**, Red  
11 River, Bienville, Lincoln, Sabine, Natchitoches.

12 (e) District 5: Union, Morehouse, West Carroll, East Carroll, Jackson,  
13 Ouachita, Richland, Madison, Caldwell, Franklin, Tensas, Catahoula, Concordia,  
14 West Feliciana, East Feliciana, St. Helena, Livingston, Tangipahoa.

15 (f) District 6: Winn, Grant, LaSalle, Vernon, Rapides, Avoyelles,  
16 Beauregard, Allen, Evangeline, St. Landry, Pointe Coupee, Jefferson Davis, St.  
17 Martin, West Baton Rouge.

18 (g) District 7: Calcasieu, Acadia, Cameron, Vermilion, Lafayette, Iberia, St.  
19 Mary.

20 ~~(8)~~ (9) Two voting members to represent the retired teachers shall be elected  
21 by a majority of those voting retired members of the Teachers' Retirement System  
22 of Louisiana for a four-year term.

23 ~~(9)~~ (10) One voting member, who shall be a parish or city superintendent of  
24 schools, shall be elected by all parish and city superintendents of schools in  
25 Louisiana, for a four-year term.

26 B. There shall be no restriction as to type of employment or position held as  
27 a qualification for any member seeking election under Paragraphs ~~(6) through (8)~~ of  
28 ~~Subsection A~~ **(A)(7) through (9)** of this Section; however, an elected member of the  
29 board who has served at least twelve months of his term shall be eligible to continue

1 as a member of the board following the effective date of his retirement from the  
2 system, until the expiration of the term for which he was elected; however, no  
3 elected member of the board shall be eligible to continue as a member of the board  
4 after December thirty-first following any change in his principal residence,  
5 employment, or status which would otherwise render him ineligible to become a  
6 candidate for the position to which he was previously elected.

7 \* \* \*

8 §1162. Members of board of trustees; appointment or election; terms of office;  
9 vacancies; compensation

10 A. The board shall consist of ~~eleven~~ **the following** trustees, ~~as follows~~:

11 (1) President of the Louisiana School Bus Operators' Association, ex officio.

12 (2) Chairman of the ~~Appropriations~~ **Retirement** Committee of the House of  
13 Representatives, ex officio, **or his designee**.

14 (3) Chairman of the Retirement Committee of the Senate, ex officio, **or his**  
15 **designee**.

16 (4) The secretary of state, ex officio, **or his designee**.

17 (5) The state treasurer, ex officio, **or his designee**. **Notwithstanding the**  
18 **provisions of R.S. 49:307.1, the treasurer may name any person as his designee**  
19 **to this board**.

20 **(6) The commissioner of administration, ex officio, or his designee.**

21 ~~(6)(a)~~ **(7)(a)** Four members of the system shall be elected by the members  
22 of the retirement system for a term of four years each, according to such rules and  
23 regulations as the board of trustees shall adopt to govern such elections. Except as  
24 otherwise provided in this Paragraph, each board member shall be a resident of the  
25 district represented. The districts will elect a member for a four-year term with the  
26 elections staggered so as to elect one member each year. Participation in the  
27 Deferred Retirement Option Plan shall not cause a member to be ineligible for  
28 candidacy in an election for the active member position on the board of trustees.  
29 Any member of this system who is elected to serve as a representative of the active

1 members on the board of trustees and who, after such election, either commences  
2 participation in the Deferred Retirement Option Plan or retires shall not have his  
3 term of office as a trustee affected by either of those events.

4 (b) Beginning March 1, 1997, and until December 31, 2008, the districts  
5 shall be composed of the following parishes:

6 (i) District 1: Assumption, Jefferson, Lafourche, Orleans, Plaquemines, St.  
7 Bernard, St. Charles, St. James, St. John the Baptist, and Terrebonne.

8 (ii) District 2: Ascension, East Baton Rouge, East Feliciana, Iberville,  
9 Lafayette, Livingston, St. Helena, St. Martin, St. Tammany, Tangipahoa,  
10 Washington, West Baton Rouge, and West Feliciana.

11 (iii) District 3: Bienville, Bossier, Caddo, Caldwell, Catahoula, Claiborne,  
12 Concordia, DeSoto, East Carroll, Franklin, Jackson, LaSalle, Lincoln, Madison,  
13 Morehouse, Ouachita, Red River, Richland, Tensas, Union, Webster, West Carroll,  
14 and Winn.

15 (iv) District 4: Acadia, Allen, Avoyelles, Beauregard, Calcasieu, Cameron,  
16 Evangeline, Grant, Iberia, Jefferson Davis, Natchitoches, Pointe Coupee, Rapides,  
17 Sabine, St. Landry, St. Mary, Vermilion, and Vernon.

18 (c) Each member elected pursuant to this Paragraph who takes office on or  
19 after January 1, 2009, shall be elected from districts composed as provided in this  
20 Subparagraph. Each member serving on December 31, 2008, who was elected to  
21 represent a district as provided in Subparagraph (b) of this Paragraph shall represent  
22 the district as provided in this Subparagraph having the same number designation as  
23 the district as provided in Subparagraph (b) of this Paragraph from which the  
24 member was elected until the expiration of his term of office, whether or not he is  
25 a resident of the district as provided in this Subparagraph. Each successor of a  
26 member serving on December 31, 2008, who was elected to represent a district as  
27 provided in Subparagraph (b) of this Paragraph shall be elected from the district as  
28 provided in this Subparagraph having the same number designation and shall be a  
29 resident of the district as provided in this Subparagraph. On January 1, 2009, and

thereafter, the districts shall be composed of the following parishes:

(i) District 1: Assumption, Iberia, Iberville, Jefferson, Lafayette, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Martin, St. Mary, and Terrebonne.

(ii) District 2: Ascension, East Baton Rouge, East Feliciana, Livingston, St. Helena, St. Tammany, Tangipahoa, Washington, West Baton Rouge, and West Feliciana.

(iii) District 3: Bienville, Bossier, Caddo, Caldwell, Catahoula, Claiborne, Concordia, East Carroll, Franklin, Jackson, Lincoln, Madison, Morehouse, Ouachita, Richland, Tensas, Union, Webster, and West Carroll.

(iv) District 4: Acadia, Allen, Avoyelles, Beauregard, Calcasieu, Cameron, ~~Desoto~~ **DeSoto**, Evangeline, Grant, Jefferson Davis, LaSalle, Natchitoches, Pointe Coupee, Rapides, Red River, Sabine, St. Landry, Vermilion, Vernon, and Winn.

~~(7)~~ **(8)** Two retired members elected at large by the retirees of the retirement system, provided the members' terms of office are for the same duration, but staggered so that the beginning and ending years of each member's term are not on the same year, and the member's terms and elections shall be governed according to rules and regulations adopted by the board of trustees.

\* \* \*

§1164. Voting power of trustees; votes necessary for action of board

Each trustee shall be entitled to one vote in the board. ~~Five~~ **Six** votes shall be necessary for a decision by the trustees at any meeting of the board.

Section 2. This Act shall become effective on June 30, 2012; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on June 30, 2012, or on the day following such approval by the legislature, whichever is later.

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The original instrument was prepared by Laura Gail Sullivan. The following digest, which does not constitute a part of the legislative instrument, was prepared by Cathy Wells.

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#### DIGEST

Guillory (SB 48)

Present law provides relative to the membership of the boards of LASERS, TRSL, and LSERS. Proposed law adds the commissioner of administration or his designee to the boards of LASERS, TRSL, and LSERS.

Present law provides for various ex officio members of the board of each retirement system and authorizes some ex officio members to designate someone to serve for them. Proposed law authorizes the remaining ex officio members to name a designee and makes other changes as follows:

LASERS: the chairmen of the House and Senate retirement committees and the treasurer are authorized to name a designee.

TRSL: the treasurer and the state superintendent of education are authorized to name a designee. Proposed law also removes specific reference to the superintendent designating his first assistant.

LSERS: the treasurer, the secretary of state, and the chairman of the Senate Retirement Committee are authorized to name a designee. Proposed law also replaces the chairman of the House Appropriations Committee with the chairman of the House Retirement Committee and authorizes the latter to name a designee.

Effective June 30, 2012.

(Amends R.S. 11:511, 822(A) and (B), 1162(A), and 1164)

#### Summary of Amendments Adopted by Senate

##### Senate Floor Amendments to engrossed bill.

1. Authorizes the state treasurer to name any person in addition to the deputy state treasurer, any assistant state treasurer, or any senior staff member of the treasurer's office to represent the state treasurer at any such meetings.